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19th November 2013

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Dear sir/madam

**Solihull Metropolitan Borough Council
Community Infrastructure Levy (CIL) Draft Charging Schedule Consultation (October 2013)**

I am writing on behalf of my client Lend Lease Retail Partnership (LLRP), the owners of Touchwood Shopping Centre in Solihull, in respect to the above consultation. LLRP supports the principle of CIL, nonetheless wish to make representations in respect to the proposed charges.

Our representations are based on the principle that CIL charges should be set at a level that can be supported without making development unviable, and that this should be demonstrated via a robust evidence base (viability assessment). In this instance the relevant evidence base is the CBRE Viability Study (report dated August 2013).

We have reviewed the evidence base and noted the following points:

- The Study tests numerous foodstore and smaller convenience store scenarios, as well as large format out-of-centre retail typologies. It concludes that these typologies can support CIL.
- The Study tests 2 scenarios for town centre 'unit retail' development, and concludes that neither scenario is capable of supporting CIL charges. The report advises that the viability of town centre unit retail development is dependant on a host of site specific and market/commercial considerations, and is likely to be marginal at best.
- The Study tests 3 scenarios for A3-5 use schemes, and concludes that these are capable of supporting CIL. However, the scenarios tested are all in out-of-centre locations, meaning that the viability of A3-5 use development in town centres has not been tested by the evidence base. This is acknowledged in the Study which notes that town centre development for this use is likely to be 'less' viable than the suburban/out-of-centre scenarios tested.
- The Study concludes that retail development (outside of the North Solihull Regeneration area) is capable of supporting CIL charges, however recommends that charging rates should differ by type, location, and size. Paragraph 7.31 of the report confirms that for the purposes of this conclusion 'retail' includes use classes A1-5.

It is on the basis of the above points that we recommend the following changes to the draft Charging Schedule:

1.Charging Rate for Other Retail Formats

The evidence base concludes that retail development in town centres (other than supermarkets and convenience stores) is unlikely to be able to support CIL charges. In order to be consistent with the evidence base we recommend amending the proposed CIL charge for this typology/location to £zero.

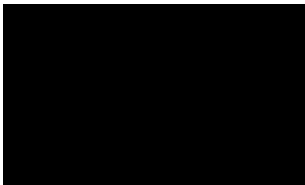
2.Charging Rate for A3-5 Uses

The evidence base recommends that charges for retail development should differ by typology, size, and location (as noted above, the evidence makes it clear that this recommendation applies to all 'A' class uses).

The draft Charging Schedule applies this recommendation in respect to A1 uses but not A3-5 uses. We recommend a more consistent approach that reflects the variable levels of viability for A3-5 uses in different locations, as highlighted in the evidence base. Specifically, we recommend that a different charging rate is applied to development in town centres to out-of-centre locations. In the absence of robust evidence that tests different charging levels for A3-5 development in town centres, we suggest applying the same rate as A1. Logically speaking, the same principle should also apply to A2 uses.

Should you have any queries, please contact Nick Alston on 020 7911 2056 (nicholas.alston@gva.co.uk).

Yours faithfully



GVA

For and On Behalf of GVA Grimley Ltd.